

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W.R. GRACE & CO., *et al.*,) Case No. 01-1139 (JF)
)
Debtors.) (Jointly Administered)

**ORDER PURSUANT TO SECTIONS 328 AND 1103 OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014
AUTHORIZING RETENTION OF KRAMER LEVIN
NAFTALIS & FRANKEL LLP AS COUNSEL TO
OFFICIAL COMMITTEE OF EQUITY HOLDERS**

Upon the Application (the "Application") for an order pursuant to sections 328 and 1103 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving the retention of Kramer Levin Naftalis & Frankel LLP ("Kramer Levin") as Counsel to the Official Committee of Equity Holders (the "Committee") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"); and upon the Affidavit of Thomas Moers Mayer, sworn to on August 1, 2001 in support of the Application (the "Affidavit"); and due and sufficient notice of the Application having been given; and the Court being satisfied, based upon the representations made in the Application and the Affidavit that (i) Kramer Levin represents no interest adverse to any of the estates of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") with respect to matters for which they are to be retained, (ii) Kramer Levin is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, and (iii) the employment of Kramer Levin is necessary and would be in the best interest of the Committee and these estates; and after due deliberation, and sufficient cause appearing therefor, it is hereby

ORDERED that, the Application is granted; and it is further

ORDERED that, in accordance with sections 328 and 1103 of the Bankruptcy Code, the Committee is authorized and empowered to retain the firm of Kramer Levin as its counsel effective as of July 18, 2001, to perform all of the services described in the Application; and it is further

ORDERED that, Kramer Levin shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules and Local Rules as may be then applicable, from time to time, and such procedures as fixed by order of this Court; and it is further

ORDERED that, notwithstanding anything to the contrary herein or in the Application or the Affidavit, such compensation shall be subject to the approval of the Court under a reasonableness standard upon proper application by Kramer Levin in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable order of this Court.

Dated: Wilmington, Delaware

~~August~~ __, 2001

September 28


United States District Court Judge